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UBIQUITI NETWORKS, INC. and
UBIQUITI NETWORKS INTERNATIONAL
LIMITED

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

SYNOPSYS, INC.,

Plaintiff,

v.

UBIQUITI NETWORKS, INC., UBIQUITI
NETWORKS INTERNATIONAL LIMITED,
CHING-HAN DEFENDANT TSAI, and DOES 1-
20,
inclusive,

Defendants.

UBIQUITI NETWORKS, INC. and UBIQUITI
NETWORKS INTERNATIONAL LIMITED,

Counterclaimants,

v.

SYNOPSYS, INC.,

Counterdefendant.

Case No. 3:17-cv-00561-WHO

**UBIQUITI NETWORKS, INC.
AND UBIQUITI NETWORKS
INTERNATIONAL LIMITED'S
ANSWER TO THIRD AMENDED
COMPLAINT**

DEMAND FOR A JURY TRIAL

1 Defendants Ubiquiti Networks, Inc. (“Ubiquiti”) and Ubiquiti Networks International
2 Limited (“UNIL”) (collectively, “Ubiquiti Defendants”), by and through their undersigned
3 counsel, answer the Third Amended Complaint (“the Complaint”) by Synopsys, Inc. (“Plaintiff”
4 or “Synopsys”). If an averment is not specifically admitted, it is hereby denied.

5 **PARTIES**

6 1. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
7 to the truth of the allegations in paragraph 1, and therefore deny them.

8 2. Ubiquiti Defendants admit the allegations in paragraph 2.

9 3. Ubiquiti Defendants admit that Ubiquiti’s February 9, 2017 10-Q filing with the
10 U.S. Securities and Exchange Commission describes it and its wholly owned subsidiaries as
11 developing high performance networking technology for service providers and enterprises.

12 4. Ubiquiti Defendants deny the allegations in paragraph 4.

13 5. Ubiquiti Defendants admit that Ubiquiti’s February 9, 2017 10-Q filing with the
14 U.S. Securities and Exchange Commission states that certain of its operating expenses are
15 denominated in the currencies of the countries in which its operations are located, including the
16 Taiwan Dollar, and that Ubiquiti manages geographically dispersed research and development
17 operations in order to meet its objectives for new product introduction, product quality, and
18 product support. Except as expressly admitted, Ubiquiti Defendants deny the remaining
19 allegations in paragraph 5.

20 6. Ubiquiti Defendants admit the allegations in paragraph 6.

21 7. Ubiquiti Defendants admit that Ubiquiti’s February 9, 2017 10-Q filing with the
22 U.S. Securities and Exchange Commission names Robert J. Pera as Ubiquiti’s Chief Executive
23 Officer, Chairman of the Board, founder, and Chief Operating Decision Maker, and states that
24 Ubiquiti reports financial information on an aggregate and consolidated basis to Mr. Pera.
25 Ubiquiti Defendants deny that UNIL exports products. Ubiquiti Defendants deny the remaining
26 allegations in paragraph 7.

27 8. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
28 to the truth of the allegations in paragraph 8, and therefore deny them.

1 9. Ubiquiti Defendants admit that UNIL has been working on the design of a single
2 integrated circuit. Ubiquiti Defendants deny that the “ubnt.com” web domain is owned and
3 controlled by Ubiquiti from California. Except as expressly admitted or denied, Ubiquiti
4 Defendants lack knowledge and information sufficient to form a belief as to the truth of the
5 remaining allegations in paragraph 9, and therefore deny them.

6 10. Ubiquiti Defendants deny that Defendant Tsai is employed by Ubiquiti. Ubiquiti
7 Defendants admit that Ubiquiti previously employed Defendant Tsai as a Project Lead. Ubiquiti
8 Defendants admit that Defendant Tsai testified that he is a citizen of the United States. Ubiquiti
9 Defendants lack knowledge and information sufficient to form a belief as to the truth of the
10 allegations regarding Defendant Tsai’s domicile, and therefore deny them. Ubiquiti Defendants
11 deny the existence of a scheme giving rise to this action. Except as expressly admitted or denied,
12 Ubiquiti Defendants deny the remaining allegations in paragraph 10.

13 11. Ubiquiti Defendants admit that Defendant Tsai’s LinkedIn profile states that he is
14 a semiconductor professional with extensive experience in the complete design cycle of complex
15 SOCs, and that from October 2013 to June 2018 he worked as a Project Lead for Ubiquiti in
16 Taipei, Taiwan.

17 12. Ubiquiti Defendants deny the allegations in paragraph 12.

18 13. Ubiquiti Defendants admit that the Complaint purports to identify Does 1 through
19 20 as Defendants in this action.

20 **JURISDICTION AND VENUE**

21 14. Ubiquiti Defendants admit that the Complaint purports to assert claims arising
22 under the Digital Millennium Copyright Act, 17 U.S.C. §§ 1201 *et seq.*, 18 U.S.C. § 2318, 18
23 U.S.C § 1962, and California common law, and purports to assert that this Court has subject
24 matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

25 15. Ubiquiti Defendants admit that this Court has personal jurisdiction over Ubiquiti.
26 Except as expressly admitted, Ubiquiti Defendants deny the remaining allegations in paragraph
27 15.
28

1 16. Ubiquiti Defendants deny that the Court has personal jurisdiction over UNIL or
2 that UNIL expressly assented to personal jurisdiction in the Northern District of California for
3 any disputes arising from its current and former employees' alleged use of Synopsys' file
4 download website. Except as expressly admitted or denied, Ubiquiti Defendants lack knowledge
5 and information sufficient to form a belief as to the truth of the remaining allegations in
6 paragraph 16, and therefore deny them.

7 17. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
8 to the truth of the allegations concerning where Plaintiff's servers are located, and therefore deny
9 them. Ubiquiti Defendants deny the remaining allegations in paragraph 17.

10 18. Ubiquiti Defendants admit that UNIL has filed a lawsuit as a plaintiff in the
11 Northern District of California. Except as expressly admitted, Ubiquiti Defendants deny the
12 remaining allegations in paragraph 18.

13 19. Ubiquiti Defendants admit that certain current and former UNIL employees have
14 traveled to California from time to time for both personal and business purposes. Except as
15 expressly admitted, Ubiquiti Defendants deny the remaining allegations in paragraph 19.

16 20. Ubiquiti Defendants admit that Defendant Tsai testified that he has a house in San
17 Diego. Except as expressly admitted, Ubiquiti Defendants deny the remaining allegations in
18 paragraph 20.

19 21. Ubiquiti Defendants admit that venue is proper in this district under 28 U.S.C.
20 §§ 1391 and 1400 with respect to Ubiquiti. Ubiquiti Defendants deny that venue is proper with
21 respect to UNIL. Except as expressly admitted or denied, Ubiquiti Defendants lack knowledge
22 and information sufficient to form a belief as to the truth of the remaining allegations in
23 paragraph 21, and therefore deny them.

24 **FACTUAL ALLEGATIONS**

25 22. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
26 to the truth of the allegations in paragraph 22, and therefore deny them.

27 23. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
28 to the truth of the allegations in paragraph 23, and therefore deny them.

1 24. Paragraph 24 relies on legal conclusions to which no response is required. To the
2 extent that a response is required, Ubiquiti Defendants lack knowledge and information sufficient
3 to form a belief as to the truth of the allegations in paragraph 24, and therefore deny them.

4 25. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
5 to the truth of the allegations in paragraph 25, and therefore deny them.

6 26. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
7 to the truth of the allegations in paragraph 26, and therefore deny them.

8 27. Ubiquiti Defendants deny the allegations in paragraph 27.

9 28. Ubiquiti Defendants admit that a third party identifying itself as IT Compliance
10 Association and purporting to act on Synopsys' behalf contacted Ubiquiti in May 2016 regarding
11 purported unlicensed use of Synopsys' software. Ubiquiti Defendants deny that they were aware
12 of 17 U.S.C. § 1201 before Ubiquiti was contacted by IT Compliance Association in 2016.
13 Ubiquiti Defendants deny that Ubiquiti Defendants' corporate representatives acknowledged
14 under oath that Ubiquiti and UNIL employees knew they had no license to use Synopsys'
15 software. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to
16 the truth of the allegations regarding the purpose of any alleged unlicensed use of Synopsys
17 software by current and former Ubiquiti and UNIL employees, and therefore deny them. Except
18 as expressly admitted or denied, Ubiquiti Defendants lack knowledge and information sufficient
19 to form a belief as to the truth of the remaining allegations in paragraph 28, and therefore deny
20 them.

21 29. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
22 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
23 of their current or former employees. Ubiquiti Defendants lack knowledge and information
24 sufficient to form a belief as to the truth of the allegations regarding the purpose of any alleged
25 unlicensed use of Synopsys software by current and former Ubiquiti and UNIL employees, and
26 therefore deny them. Ubiquiti Defendants deny the remaining allegations in paragraph 29.

27 30. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
28 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any

1 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
2 paragraph 30.

3 31. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
4 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
5 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
6 paragraph 31.

7 32. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
8 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
9 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
10 paragraph 32.

11 33. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
12 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
13 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
14 paragraph 33.

15 34. Ubiquiti Defendants admit that Ubiquiti operates with a relatively flat reporting
16 structure that relies on individual contributors or small development teams to develop, test, and
17 obtain feedback for its products. Except as expressly admitted, Ubiquiti Defendants deny the
18 remaining allegations in paragraph 34.

19 35. Ubiquiti Defendants admit that each Ubiquiti development team has a project lead
20 or leads with varying levels of oversight by others at Ubiquiti. Except as expressly admitted,
21 Ubiquiti Defendants deny the remaining allegations in paragraph 35.

22 36. Ubiquiti Defendants admit that each UNIL development team has a project lead or
23 leads with varying levels of oversight by others at Ubiquiti. Except as expressly admitted,
24 Ubiquiti Defendants deny the remaining allegations in paragraph 36.

25 37. Ubiquiti Defendants admit that Ubiquiti has had one or more of the following
26 executives since it was established in 2005, among others: Chief Executive Officer, Chief
27 Financial Officer, Chief Accounting Officer, Vice President of Legal Affairs, Vice President of
28 Business Development, and Vice President of Global Vendor Management. Ubiquiti Defendants

1 admit that one or more of these Ubiquiti executives have at different times acted as executives of
2 UNIL. Ubiquiti Defendants admit that Ubiquiti's September 30, 2013 10-Q filing with the U.S.
3 Securities and Exchange Commission references Ubiquiti's "lean organizational structure."
4 Ubiquiti Defendants admit that to the extent that Ubiquiti executives have also acted as
5 executives of UNIL, they have not been paid by UNIL for those services. Except as expressly
6 admitted, Ubiquiti Defendants deny the remaining allegations in paragraph 37.

7 38. Ubiquiti Defendants deny the allegations in paragraph 38.

8 39. Ubiquiti Defendants admit that Ubiquiti's Code of Business Conduct and Ethics as
9 adopted November 2, 2010, designates Ubiquiti's Chief Financial Officer as the Ethics Officer
10 with responsibility for overseeing and monitoring compliance with the Code, and provides that
11 the Ethics Officer reports directly to the Chief Executive Officer with respect to these matters.
12 Ubiquiti Defendants admit that Ubiquiti's Code of Business Conduct and Ethics as adopted
13 November 2, 2010, provides that the Audit Committee will be responsible for investigating
14 violations and determining appropriate disciplinary action for matters involving members of the
15 Board of Directors or executive officers. Ubiquiti Defendants admit that Ubiquiti's Code of
16 Business Conduct and Ethics in effect as of August 2013, designates Ubiquiti's Chief Compliance
17 Officer as the Ethics Officer with responsibility for overseeing and monitoring compliance with
18 the Code, and provides that the Ethics Officer reports directly to the Chief Executive Officer and
19 Audit Committee with respect to these matters. Ubiquiti Defendants admit that Ubiquiti's Code
20 of Business Conduct and Ethics in effect as of August 2013, provides that the Audit Committee
21 will be responsible for investigating violations and determining appropriate disciplinary action for
22 matters involving members of the Board of Directors or executive officers. Except as expressly
23 admitted, Ubiquiti Defendants deny the remaining allegations in paragraph 39.

24 40. Ubiquiti Defendants admit that Ubiquiti provides its Code of Business Conduct
25 and Ethics in English. Ubiquiti Defendants lack knowledge and information sufficient to form a
26 belief as to the truth of the remaining allegations in paragraph 40, and therefore deny them.

27 42. Ubiquiti Defendants deny the allegations in paragraph 41.

28 42. Ubiquiti Defendants deny the allegations in paragraph 42.

1 43. Ubiquiti Defendants deny the allegations in paragraph 43.

2 44. Ubiquiti Defendants admit that in 2013, Defendant Tsai started discussions with
3 Synopsys and other manufacturers of EDA software in connection with a new project to design an
4 integrated circuit. Except as expressly admitted, Ubiquiti Defendants deny the remaining
5 allegations in paragraph 44.

6 45. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
7 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
8 of their current or former employees. Ubiquiti Defendants admit that Defendant Tsai testified
9 that Robert Pera contacted him via LinkedIn regarding work on the AME project, and that
10 Defendant Tsai testified that they subsequently met in person at a Starbucks in San Jose. Except
11 as expressly admitted, Ubiquiti Defendants deny the remaining allegations in paragraph 45.

12 46. Ubiquiti Defendants admit that Defendant Tsai was hired by Ubiquiti on
13 September 3, 2013. Ubiquiti Defendants admit that Defendant Tsai began recruiting others to
14 work on the AME project with him. Ubiquiti Defendants lack knowledge and information
15 sufficient to form a belief as to the truth of the allegations concerning what was known to
16 Defendant Tsai, and therefore deny them. Except as expressly admitted or denied, Ubiquiti
17 Defendants deny the remaining allegations in paragraph 46.

18 47. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
19 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
20 of their current or former employees. Ubiquiti Defendants deny that there was a piracy plan.
21 Ubiquiti Defendants deny the remaining allegations in paragraph 47.

22 48. Ubiquiti Defendants deny that the referenced chat logs were not collected in the
23 course of ordinary document collection. Ubiquiti Defendants lack knowledge and information
24 sufficient to form a belief as to the truth of the allegations concerning interstate wires, and
25 therefore deny them. Ubiquiti Defendants lack knowledge and information sufficient to form a
26 belief as to the truth of the remaining allegations in paragraph 48, and therefore deny them.

27 49. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
28 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any

1 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, acting on
2 behalf of a piracy enterprise, communicated with Synopsys employees on or about September 11,
3 2013 or September 12, 2013. Ubiquiti Defendants deny that there was a piracy plan. Ubiquiti
4 Defendants lack knowledge and information sufficient to form a belief as to the truth of the
5 allegations concerning statements made by Defendant Tsai to Synopsys, and therefore deny them.
6 Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of
7 the remaining allegations in paragraph 49, and therefore deny them.

8 50. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
9 to the truth of the allegations in paragraph 50, and therefore deny them.

10 51. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
11 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
12 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, acting on
13 behalf of a piracy enterprise, communicated with Synopsys employees on or about September 30,
14 2013. Ubiquiti Defendants deny that there was a piracy plan. Ubiquiti Defendants lack
15 knowledge and information sufficient to form a belief as to the truth of the allegations concerning
16 statements made by Defendant Tsai to Synopsys, and therefore deny them. Ubiquiti Defendants
17 lack knowledge and information sufficient to form a belief as to the truth of the remaining
18 allegations in paragraph 51, and therefore deny them.

19 52. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
20 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
21 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, acting on
22 behalf of a piracy enterprise, communicated with Synopsys employees on or about October 1,
23 2013. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the
24 truth of the allegations concerning statements made by Defendant Tsai to Synopsys, and therefore
25 deny them. Ubiquiti Defendants admit that on September 12, 2013, Defendant Tsai sent an email
26 to Mr. Pera noting that “Synopsys provides global WAN based licenses.” Except as expressly
27 admitted or denied, Ubiquiti Defendants deny the remaining allegations in paragraph 52.
28

1 53. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
2 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
3 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, acting on
4 behalf of a piracy enterprise, communicated with Synopsys employees on or about October 14,
5 2013. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the
6 truth of the allegations concerning statements made by Defendant Tsai to Synopsys, and therefore
7 deny them.

8 54. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
9 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
10 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, acting on
11 behalf of a piracy enterprise, communicated with Synopsys employees on or about October 14,
12 2013. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the
13 truth of the allegations concerning statements made by Defendant Tsai to Synopsys, and therefore
14 deny them.

15 55. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
16 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
17 of their current or former employees. Ubiquiti Defendants lack knowledge and information
18 sufficient to form a belief as to the truth of the allegations concerning interstate wires and
19 computers used in interstate commerce, and therefore deny them. Ubiquiti Defendants admit that
20 Defendant Tsai and Yang engaged in a personal chat message conversation on or about October
21 15, 2013, on their personal Skype accounts, but deny that Defendant Tsai and Yang discussed a
22 plan on behalf of Ubiquiti and UNIL. Ubiquiti Defendants deny that Defendant Tsai and Yang
23 were authorized to make such decisions on behalf of Ubiquiti or UNIL. To the extent that
24 Defendant Tsai and Yang did discuss using piracy to save money or using counterfeit keys, such
25 personal discussions conducted on personal Skype accounts were outside the scope of Defendant
26 Tsai's and Yang's employment by Ubiquiti Defendants, and the discussions did not take place on
27 behalf of Ubiquiti or UNIL. Except as expressly admitted or denied, Ubiquiti Defendants deny
28 the remaining allegations in paragraph 55.

1 56. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
2 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
3 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
4 paragraph 56.

5 57. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
6 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
7 of their current or former employees. Ubiquiti Defendants admit that on October 15, 2013,
8 Defendant Tsai sent an email to William Bergman stating “I’ll be travelling to Taipei tonight.”
9 Ubiquiti Defendants deny that Defendant Tsai acted on behalf of a piracy enterprise. Ubiquiti
10 Defendants lack knowledge and information sufficient to form a belief as to the truth of the
11 allegations concerning statements made by Defendant Tsai to Synopsys, and therefore deny them.
12 Ubiquiti Defendants admit that Ubiquiti and Plaintiff entered into a Master Non-Disclosure
13 Agreement, the purpose of which was to facilitate the parties’ discussions of a potential business
14 relationship, and that Ubiquiti executed that agreement on October 15, 2013, and a Disclosure
15 Supplement Statement on November 15, 2013, and that Plaintiff executed both the Master Non-
16 Disclosure Agreement and Disclosure Supplement Statement on November 25, 2013. Except as
17 expressly admitted or denied, Ubiquiti Defendants deny the remaining allegations in paragraph 57.

18 58. Ubiquiti Defendants admit that from time to time Defendant Tsai reported to Pera
19 and other executives and managers on the status of his work at Ubiquiti. Ubiquiti Defendants
20 lack knowledge and information sufficient to form a belief as to the truth of the allegations
21 concerning Defendant Tsai’s negotiations with EDA providers in the U.S. and Taiwan, and
22 therefore deny them. Except as expressly admitted or denied, Ubiquiti Defendants deny the
23 remaining allegations in paragraph 58.

24 59. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
25 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
26 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, acting on
27 behalf of a piracy enterprise, communicated with Synopsys employees from October 14, 2013, to
28 November 25, 2013. Ubiquiti Defendants deny that Ubiquiti or UNIL gave any current or former

1 employees raises for delivering on the AME project on a timely basis. Ubiquiti Defendants admit
2 that Defendant Tsai and Yang had personal chat message conversations in November 2013 on
3 their personal Skype accounts, but deny that Defendant Tsai and Yang discussed the use of
4 unlicensed software on behalf of Ubiquiti and UNIL. Ubiquiti Defendants deny that any conduct
5 of Defendant Tsai or Yang involving the use of unlicensed software reduced Ubiquiti's and
6 UNIL's development costs and development time. Ubiquiti Defendants lack knowledge and
7 information sufficient to form a belief as to the truth of the allegations concerning the intent of
8 Defendant Tsai and Yang's conduct, and therefore deny them. Except as expressly admitted or
9 denied, Ubiquiti Defendants deny the remaining allegations in paragraph 60.

10 60. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
11 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
12 of their current or former employees. Ubiquiti Defendants lack knowledge and information
13 sufficient to form a belief as to the truth of the allegations concerning statements made or omitted
14 by Defendant Tsai to Synopsys, and therefore deny them. Ubiquiti Defendants admit that on
15 November 26, 2013, Ubiquiti and Plaintiff entered into an agreement for the evaluation of
16 Plaintiff's VCS application. Except as expressly admitted, Ubiquiti Defendants deny the
17 remaining allegations in paragraph 60.

18 61. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
19 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
20 of their current or former employees. Ubiquiti Defendants lack knowledge and information
21 sufficient to form a belief as to the truth of the allegations concerning statements made by
22 Defendant Tsai to Synopsys, and therefore deny them. Ubiquiti Defendants deny that any
23 persons acting on behalf of a piracy enterprise began using counterfeit license keys to access any
24 copies of VCS from any source. Ubiquiti Defendants deny that they were part of any piracy
25 enterprise that made or distributed unauthorized copies of Synopsys' software or documentation,
26 accessed Synopsys' software, or provided software and other technology components designed to
27 circumvent technical measures that control access to Synopsys' software to anyone. Ubiquiti
28 Defendants deny the remaining allegations in paragraph 61.

1 62. Ubiquiti Defendants admit that on November 26, 2013, Plaintiff and Ubiquiti
2 executed a 90-day evaluation license for Ubiquiti to evaluate Plaintiff's VCS application and that
3 an employee of Plaintiff sent to Defendant Tsai's Ubiquiti email account a link to download the
4 VCS application. Ubiquiti Defendants deny that an employee sent to Defendant Tsai's Ubiquiti
5 email account a link to download a license key and Ubiquiti Defendants deny that the license key
6 delivered to Defendant Tsai's Ubiquiti email account on December 3, 2013, limited use of the
7 license key or VCS application to "two computers concurrently in San Jose." In response to the
8 remaining allegations, Ubiquiti Defendants respond that to the extent Plaintiff is quoting from the
9 November 26, 2013, evaluation agreement, that document speaks for itself. To the extent that
10 Plaintiff is not quoting from that document, the remaining allegations rely on legal conclusions to
11 which no response is required. To the extent that a response is required, Ubiquiti Defendants lack
12 knowledge and information sufficient to form a belief as to the truth of the remaining allegations
13 in paragraph 62, and therefore deny them.

14 63. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
15 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
16 of their current or former employees. Ubiquiti Defendants admit that Defendant Tsai was
17 provided login credentials to permit him access to Plaintiff's customer support and download
18 websites for the purposes of facilitating evaluation of VCS. Ubiquiti Defendants deny that they
19 were members of any piracy enterprise that accessed any of Synopsys' websites. Except as
20 expressly admitted or denied, Ubiquiti Defendants lack knowledge and information sufficient to
21 form a belief as to the truth of the allegations concerning the domains on which Plaintiff's
22 websites reside, and where those domains are registered, hosted, or maintained, and therefore
23 deny them.

24 64. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
25 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
26 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, acting on
27 behalf of a piracy enterprise, accessed Synopsys' file download website or downloaded any files
28 from that website. Except as expressly denied, Ubiquiti Defendants lack knowledge and

1 information sufficient to form a belief as to the truth of the remaining allegations in paragraph 64,
2 and therefore deny them.

3 65. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
4 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
5 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, acting on
6 behalf of a piracy enterprise, communicated with any current or former UNIL employee on
7 November 28, 2013. Ubiquiti Defendants lack knowledge and information sufficient to form a
8 belief as to the truth of the allegations concerning interstate wires and computers used in interstate
9 commerce, and therefore deny them. Ubiquiti Defendants admit that a document collected from
10 one of Defendant Tsai's computers and produced in this case is a Skype chat to which Defendant
11 Tsai was a party through his personal Skype account. Ubiquiti Defendants admit that in that chat,
12 Defendant Tsai and others had a personal discussion that included the words "don't talk about
13 cracking software using company email," but deny that this discussion took place on behalf of
14 Ubiquiti or UNIL. Defendants deny the remaining allegations in paragraph 65.

15 66. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
16 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
17 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, acting on
18 behalf of a piracy enterprise, communicated with any Synopsys employee on December 2, 2013.
19 Ubiquiti Defendants deny the remaining allegations in paragraph 66.

20 67. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
21 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
22 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
23 paragraph 67.

24 68. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
25 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
26 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, or any other
27 persons, acting on behalf of a piracy enterprise communicated with a current or former UNIL
28 employee on December 4, 2013. Ubiquiti Defendants admit that a document collected from one

1 of Defendant Tsai's computers and produced in this case is a personal Skype chat to which
2 Defendant Tsai was a party. Ubiquiti Defendants admit that in this chat conducted on Defendant
3 Tsai's personal Skype account, Defendant Tsai and others had a personal discussion that included
4 the words "alternative" and "massive regressions". Ubiquiti Defendants deny that this discussion
5 took place on behalf of Ubiquiti or UNIL. Ubiquiti Defendants lack knowledge and information
6 sufficient to form a belief as to the truth of the allegations concerning interstate wires and
7 computers used in interstate commerce, and therefore deny them. Except as expressly admitted
8 or denied, Ubiquiti Defendants deny the remaining allegations in paragraph 68.

9 69. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
10 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
11 of their current or former employees. Ubiquiti Defendants deny that from November 27, 2013, to
12 December 28, 2013, Defendant Tsai or any current or former Ubiquiti or UNIL employees, acting
13 on behalf of a piracy enterprise, accessed Synopsys's file download website. Ubiquiti Defendants
14 deny that any current or former Ubiquiti or UNIL employees downloaded files from Synopsys'
15 file download website on behalf of a piracy enterprise involving Ubiquiti Defendants. Ubiquiti
16 Defendants deny that Ubiquiti and UNIL engaged in the copying, creation, distribution, and use
17 of counterfeit software, counterfeit license keys, and other circumvention technology. Ubiquiti
18 Defendants admit that Defendant Tsai downloaded certain files from Synopsys's file download
19 website. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the
20 truth of the allegations regarding the purpose of any alleged unlicensed use of Synopsys software
21 by current or former Ubiquiti and UNIL employees, and therefore deny them. Ubiquiti
22 Defendants lack knowledge and information sufficient to form a belief as to the truth of the
23 remaining allegations in paragraph 69, and therefore deny them.

24 70. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
25 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
26 of their current or former employees. Ubiquiti Defendants lack knowledge and information
27 sufficient to form a belief as to the truth of the allegations concerning interstate wires and
28

1 computers used in interstate commerce, and therefore deny them. Ubiquiti Defendants deny the
2 remaining allegations in paragraph 70.

3 71. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
4 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
5 of their current or former employees. Ubiquiti Defendants admit that in or about mid-December
6 2013, Defendant Tsai, Andre Lee, and Josh Huang traveled to the United States. Except as
7 expressly admitted or denied, Ubiquiti Defendants deny the remaining allegations in paragraph 71.

8 72. Ubiquiti Defendants admit that on or about January 1, 2014, Defendant Tsai, I-
9 Feng Lin, and Sheng-Feng Wang traveled to Barrington, Illinois. Except as expressly admitted,
10 Ubiquiti Defendants deny the remaining allegations in paragraph 72.

11 73. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
12 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
13 of their current or former employees. Ubiquiti Defendants lack knowledge and information
14 sufficient to form a belief as to the truth of the allegations concerning interstate wires and
15 computers used in interstate commerce, and therefore deny them. Ubiquiti defendants lack
16 knowledge and information sufficient to form a belief as to the truth of the remaining allegations
17 in paragraph 73, and therefore deny them.

18 74. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
19 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
20 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
21 paragraph 74.

22 75. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
23 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
24 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, acting on
25 behalf of a piracy enterprise, communicated with any Synopsys employees during the first and
26 second weeks of March 2014. Ubiquiti Defendants lack knowledge and information sufficient to
27 form a belief as to the truth of the allegations concerning statements made by Defendant Tsai to
28

1 Synopsys, and therefore deny them. Ubiquiti Defendants deny the remaining allegations in
2 paragraph 75.

3 76. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
4 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
5 of their current or former employees. Ubiquiti Defendants deny that Defendant Tsai, acting on
6 behalf of a piracy enterprise involving Ubiquiti Defendants, communicated with any Synopsys
7 employees during the first and second weeks of April 2014. Ubiquiti Defendants deny that
8 Defendant Tsai or anyone else acting on behalf of a piracy enterprise involving Ubiquiti
9 Defendants made any representations to Synopsys during a meeting on or about April 8, 2014.
10 Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of
11 the allegations concerning statements made by Defendant Tsai or any current or former UNIL
12 employees to Synopsys, and therefore deny them. Ubiquiti Defendants deny the remaining
13 allegations in paragraph 76.

14 77. Ubiquiti Defendants deny the allegations in paragraph 77.

15 78. Ubiquiti Defendants admit that on or around April 14, 2014, a Synopsys employee
16 emailed a license key for Plaintiff's DC Ultra, Formality, HDL Compiler Verilog, and
17 DesignWare Library applications, along with related installation and/or license control tools, to a
18 UNIL employee and Defendant Tsai. Ubiquiti Defendants admit that on or around May 8, 2014,
19 a Synopsys employee emailed to a UNIL employee and Defendant Tsai, a license key for the
20 Power Compiler application. Except as expressly admitted, Ubiquiti Defendants lack knowledge
21 and information sufficient to form a belief as to the truth of the remaining allegations in
22 paragraph 78, and therefore deny them.

23 79. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
24 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
25 of their current or former employees. Ubiquiti Defendants deny that anyone acting on behalf of a
26 piracy enterprise involving Ubiquiti Defendants downloaded any documents or files from
27 Plaintiff's electronic file transfer website. Except as expressly denied, Ubiquiti Defendants lack
28

1 knowledge and information sufficient to form a belief as to the truth of the remaining allegations
2 in paragraph 53, and therefore deny them.

3 80. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
4 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
5 of their current or former employees. Ubiquiti Defendants deny that anyone acting on behalf of a
6 piracy enterprise involving Ubiquiti Defendants began using counterfeit license keys to access
7 Design Compiler software downloaded by UNIL. Ubiquiti Defendants deny the remaining
8 allegations in paragraph 80.

9 81. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
10 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
11 of their current or former employees. Ubiquiti Defendants deny that anyone acting on behalf of a
12 piracy enterprise involving Ubiquiti Defendants contacted Synopsys' customer support via email
13 on May 19, 2014. Ubiquiti Defendants deny the remaining allegations in paragraph 81.

14 82. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
15 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
16 of their current or former employees. Ubiquiti Defendants deny that anyone acting on behalf of a
17 piracy enterprise involving Ubiquiti Defendants accessed Synopsys' customer support and file
18 download websites, or made, distributed, or used copies of Synopsys' software or documentation.
19 Ubiquiti Defendants deny the remaining allegations in paragraph 82.

20 83. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
21 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
22 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
23 paragraph 83.

24 84. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
25 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
26 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
27 paragraph 84.
28

1 85. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
2 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
3 of their current or former employees. Ubiquiti Defendants lack knowledge and information
4 sufficient to form a belief as to the truth of allegations in paragraph 85 pertaining to unidentified
5 “[d]ata,” and therefore deny them. Ubiquiti Defendants deny that any piracy enterprise involving
6 Ubiquiti Defendants set up a network of computers for the purpose of accessing keys or copies of
7 Plaintiff’s software. Ubiquiti Defendants deny the remaining allegations in paragraph 85.

8 86. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
9 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
10 of their current or former employees. Ubiquiti Defendants lack knowledge and information
11 sufficient to form a belief as to the truth of the allegations in paragraph 86 that relate to the
12 “[d]ata” referred to in Paragraph 85, and therefore deny them. Ubiquiti Defendants deny that any
13 piracy enterprise involving Ubiquiti Defendants configured computers for the purpose of running
14 unauthorized copies of Plaintiff’s software or placing counterfeit license key files on a host
15 server. Ubiquiti Defendants deny the remaining allegations in paragraph 86.

16 87. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
17 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
18 of their current or former employees. Ubiquiti Defendants lack knowledge and information
19 sufficient to form a belief as to the truth of the allegations in paragraph 87 that relate to the
20 “[d]ata” referred to in Paragraph 85, and therefore deny them. Ubiquiti Defendants deny that any
21 piracy enterprise involving Ubiquiti Defendants employed stored counterfeit license key files at
22 file paths located on Ubiquiti or UNIL networks. Ubiquiti Defendants deny the remaining
23 allegations in paragraph 87.

24 88. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
25 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
26 of their current or former employees. Ubiquiti Defendants lack knowledge and information
27 sufficient to form a belief as to the truth of the allegations in paragraph 88 that relate to the
28 “[d]ata” referred to in Paragraph 85, and therefore deny them. Ubiquiti Defendants deny that any

1 piracy enterprise involving Ubiquiti Defendants configured computers to make Plaintiff's
2 software or counterfeit license keys accessible from a virtual machine. Ubiquiti Defendants deny
3 the remaining allegations in paragraph 88.

4 89. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
5 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
6 of their current or former employees. Ubiquiti Defendants lack knowledge and information
7 sufficient to form a belief as to the truth of the allegations in paragraph 89 that relate to the
8 "[d]ata" referred to in Paragraph 85, and therefore deny them. Ubiquiti Defendants deny that any
9 piracy enterprise involving Ubiquiti Defendants distributed or used counterfeit license keys, illicit
10 license keys, counterfeit access devices, or circumvention technology to access any of Plaintiff's
11 software. Ubiquiti Defendants deny the remaining allegations in paragraph 89.

12 90. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
13 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
14 of their current or former employees. Ubiquiti Defendants lack knowledge and information
15 sufficient to form a belief as to the truth of the allegations in paragraph 90 that relate to the
16 "[d]ata" referred to in Paragraph 85, and therefore deny them. Ubiquiti Defendants deny that any
17 piracy enterprise involving Ubiquiti Defendants made use of counterfeit license keys for
18 Plaintiff's software. Ubiquiti Defendants deny the remaining allegations in paragraph 90.

19 91. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
20 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
21 of their current or former employees. Ubiquiti Defendants admit that a third party identifying
22 itself as IT Compliance Association and purporting to act on Synopsys' behalf contacted Ubiquiti
23 in May 2016 regarding purported unlicensed use of Synopsys' software and that it demanded that
24 Ubiquiti "cease and desist unauthorized use of [Plaintiff's] software." Ubiquiti Defendants lack
25 knowledge and information sufficient to form a belief as to the truth of the allegations concerning
26 actions taken by Plaintiff, and therefore deny them. The remaining allegations in Paragraph 91
27 rely on legal conclusions to which no response is required. To the extent that a response is
28

1 required, Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the
2 truth of the remaining allegations in paragraph 91, and therefore deny them.

3 92. Ubiquiti Defendants admit that a third party identifying itself as IT Compliance
4 Association and purporting to act on Synopsys' behalf contacted Ubiquiti in May 2016 regarding
5 purported unlicensed use of Synopsys' software. Ubiquiti Defendants deny that the ITCA letter
6 warned Ubiquiti of impending legal action, deny that the ITCA letter created an obligation for
7 Ubiquiti to preserve evidence, and deny that the ITCA letter was an infringement notice. Ubiquiti
8 Defendants deny that Ubiquiti Defendants or anyone at Ubiquiti or UNIL violated the Ubiquiti
9 Code of Business Conduct and Ethics following receipt of the ITCA letter. Ubiquiti Defendants
10 deny that there were executive-level omissions that would require investigation by the Ubiquiti
11 Audit Committee. Except as expressly admitted or denied, Ubiquiti Defendants deny the
12 remaining allegations in paragraph 92.

13 93. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
14 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
15 of their current or former employees. Ubiquiti Defendants lack knowledge and information
16 sufficient to form a belief as to the truth of the allegations concerning interstate wires and
17 computers used in interstate commerce, and therefore deny them. Ubiquiti Defendants deny that
18 the ITCA letter was forwarded only to Defendant Tsai. Ubiquiti Defendants admit that Defendant
19 Tsai forwarded an email with the letter to Andre Lee, James Lian, and Josh Huang. Ubiquiti
20 Defendants deny that Defendant Tsai forwarded the email to any members of a piracy enterprise
21 involving Ubiquiti Defendants. Ubiquiti Defendants lack knowledge and information sufficient
22 to form a belief as to the truth of the allegations concerning the actions taken by Defendant Tsai,
23 Lee, Huang, and Lian, and therefore deny them. Except as expressly admitted or denied, Ubiquiti
24 Defendants deny the remaining allegations in paragraph 93.

25 94. Ubiquiti Defendants deny the allegations in paragraph 94.

26 95. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
27 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
28

1 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
2 paragraph 95.

3 96. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
4 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
5 of their current or former employees. Ubiquiti Defendants admit that no report was warranted or
6 made to Ubiquiti's Audit Committee concerning allegations made by Synopsys. Except as
7 expressly admitted or denied, Ubiquiti Defendants deny the remaining allegations in paragraph
8 96.

9 97. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
10 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
11 of their current or former employees. Ubiquiti Defendants lack knowledge and information
12 sufficient to form a belief as to the truth of the allegations concerning interstate wires and
13 computers used in interstate commerce, and therefore deny them. Ubiquiti Defendants admit that
14 Sheng-Feng Wang testified that Defendant Tsai twice loaded a virtual machine with Synopsys
15 software on one of his computers. Except as expressly admitted or denied, Ubiquiti Defendants
16 deny the remaining allegations in paragraph 97.

17 98. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
18 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
19 of their current or former employees. Ubiquiti Defendants admit that Defendant Tsai declared
20 under oath that he spent at least forty hours investigating Synopsys' surveillance and intrusions,
21 including reviewing the system log files and reconfiguring the firewall programs on all the
22 servers, and monitoring the outbound network traffic over the course of at least a month, and that
23 other employees of Ubiquiti and UNIL spent at least one hundred hours engaged in similar
24 investigatory activities. Ubiquiti Defendants lack knowledge and information sufficient to form a
25 belief as to the truth of Defendant Tsai's statements in his declaration. Ubiquiti Defendants deny
26 that Defendant Tsai, acting on behalf of a piracy enterprise involving Ubiquiti Defendants,
27 provided instructions to UNIL and Ubiquiti. Ubiquiti Defendants lack knowledge and
28 information sufficient to form a belief as to the truth of the allegations concerning what files

1 and/or data, if any, Defendant Tsai or any other Ubiquiti or UNIL employees undertook to delete,
2 and therefore deny them. Except as expressly admitted or denied, Ubiquiti Defendants deny the
3 remaining allegations in paragraph 98.

4 99. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
5 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
6 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
7 paragraph 99.

8 100. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
9 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
10 of their current or former employees. Ubiquiti Defendants deny that any persons acting on behalf
11 of a piracy enterprise involving Ubiquiti Defendants used Synopsys's software to perform work
12 for UNIL or Ubiquiti. Ubiquiti Defendants deny that there was a piracy enterprise meeting.
13 Ubiquiti Defendants deny that Ubiquiti or UNIL gave any current or former employees raises for
14 delivering on the AME project on a timely basis. Except as expressly denied, Ubiquiti
15 Defendants deny the remaining allegations in paragraph 100.

16 101. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
17 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
18 of their current or former employees. Ubiquiti Defendants deny that anyone at Ubiquiti or UNIL
19 pirated software in furtherance of their work for Ubiquiti and UNIL. Ubiquiti Defendants lack
20 knowledge and information sufficient to form a belief as to the truth of the remaining allegations
21 in paragraph 101, and therefore deny them.

22 102. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
23 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
24 of their current or former employees. Ubiquiti Defendants deny that any persons acting on behalf
25 of a piracy enterprise involving Ubiquiti Defendants used Synopsys's software to perform work
26 for UNIL or Ubiquiti. Ubiquiti Defendants deny that there was use of unlicensed Synopsys
27 software by anyone at Ubiquiti or UNIL after June 2016. Ubiquiti Defendants deny that the
28 Ubiquiti AirFiber 5xHD contains an ASIC designed by a piracy enterprise.

1 103. Ubiquiti Defendants admit that Ubiquiti commenced an investigation of ITCA's
2 allegations in May 2016 and that that investigation ended in or about August 2016. Ubiquiti
3 Defendants admit that Ubiquiti commenced further investigations after the complaint was filed,
4 and during the course of the lawsuit. Ubiquiti Defendants deny that the only remedial action
5 Ubiquiti and UNIL took was to send an email to UNIL and Ubiquiti employees. Ubiquiti
6 Defendants deny that the investigations and the email were shams. Except as expressly admitted
7 or denied, Ubiquiti Defendants deny the remaining allegations in paragraph 103.

8 104. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
9 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
10 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
11 paragraph 104.

12 105. Ubiquiti Defendants deny the allegations in paragraph 105.

13 106. Ubiquiti Defendants deny the allegations in paragraph 106.

14 107. Ubiquiti Defendants deny that they anticipated the prospect of litigation after
15 receiving the May 2016 ITCA letter. Ubiquiti Defendants deny that they had any obligation to
16 collect or preserve evidence after receipt of the May 2016 ITCA letter. Except as expressly
17 denied, Ubiquiti Defendants deny the remaining allegations in paragraph 107.

18 108. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
19 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
20 of their current or former employees. Ubiquiti Defendants deny that there was use of unlicensed
21 Synopsys software by any current or former employees of Ubiquiti or UNIL after June 2016.
22 Ubiquiti Defendants deny that they had any obligation to preserve evidence prior to February
23 2017. Except as expressly denied, Ubiquiti Defendants deny the remaining allegations in
24 paragraph 108.

25 109. Ubiquiti Defendants deny the allegations in paragraph 109.

26 110. Ubiquiti Defendants admit that Synopsys served its first set of requests for
27 production of documents and tangible things from Ubiquiti Defendants on May 12, 2017. Except
28 as expressly admitted, Ubiquiti Defendants deny the remaining allegations in paragraph 110.

1 111. Ubiquiti Defendants deny the allegations in paragraph 111.

2 112. Ubiquiti Defendants deny the allegations in paragraph 112.

3 113. Ubiquiti Defendants admit that on September 8, 2017, Synopsys served a forensic
4 inspection request purporting to identify various UNIL and Ubiquiti computers by MAC address,
5 known IP addresses, and usernames. Except as expressly admitted, Ubiquiti Defendants deny the
6 remaining allegations in paragraph 113.

7 114. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
8 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
9 of their current or former employees. Ubiquiti Defendants admit that in a hearing before Judge
10 Beeler on January 25, 2018, counsel for Ubiquiti and UNIL told the Court that “[Synopsys]
11 software does not operate on a Windows environment or on a Mac environment. So there is no
12 reason they need to look at any of the individual computers that use Mac and Windows as their
13 operating environment.” Ubiquiti Defendants admit that Ubiquiti submitted sworn declarations to
14 the Court. Except as expressly admitted or denied, Ubiquiti Defendants deny the remaining
15 allegations in paragraph 114.

16 115. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
17 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
18 of their current or former employees. Ubiquiti Defendants admit that in an order issued on
19 December 22, 2017, U.S. Magistrate Judge Laurel Beeler ordered Ubiquiti Defendants to meet
20 and confer with Synopsys regarding an inspection protocol. Except as expressly admitted or
21 denied, Ubiquiti Defendants deny the remaining allegations in paragraph 115.

22 116. Ubiquiti Defendants deny the allegations in paragraph 116.

23 117. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
24 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
25 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
26 paragraph 117.

27 118. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
28 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any

1 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
2 paragraph 118.

3 119. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
4 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
5 of their current or former employees. Ubiquiti Defendants deny that Judge Beeler held an
6 emergency hearing. Ubiquiti Defendants deny the remaining allegations in paragraph 119.

7 120. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
8 to the truth of the allegations concerning forensic discovery, and therefore deny them. Ubiquiti
9 Defendants deny that Ubiquiti Defendants knew or should have known about Defendant Tsai's
10 additional devices by the date of Defendant Tsai's deposition. Ubiquiti Defendants deny that
11 Ubiquiti Defendants or their outside counsel did not make any effort to collect Defendant Tsai's
12 devices. Ubiquiti Defendants deny the remaining allegations in paragraph 120.

13 121. Ubiquiti Defendants deny the existence of a pattern of deliberate, calculated, and
14 coordinated spoliation.

15 a. Ubiquiti Defendants admit that Defendant Tsai used a software program
16 called CCleaner on an external drive, but do not know what files or data, if any, were
17 deleted as a result of the use of CCleaner. Ubiquiti Defendants lack knowledge and
18 information sufficient to form a belief as to the truth of the remaining allegations in
19 paragraph 121(a), and therefore deny them.

20 b. Ubiquiti Defendants admit that Sheng-Feng Wang's work-issued devices
21 and a personal external hard drive were imaged in January 2018. Ubiquiti Defendants
22 admit that Wang's personal external hard drive contained copies of video files when it
23 was imaged in January 2018. Ubiquiti Defendants deny that Wang's computer contained
24 virtual machines that appeared to contain deleted Synopsys files. Ubiquiti Defendants
25 lack knowledge and information sufficient to form a belief as to the truth of the remaining
26 allegations in paragraph 121(b), and therefore deny them.

27 c. Ubiquiti Defendants admit that Chi-Hsueh Huang ran CCleaner twice in
28 March 2018, but do not know what files or data, if any, were deleted as a result of the use

1 of CCleaner. Ubiquiti Defendants lack knowledge and information sufficient to form a
2 belief as to the truth of the remaining allegations in paragraph 121(c), and therefore deny
3 them.

4 d. Ubiquiti Defendants admit that the Recycle Bin on James Lian's external
5 hard drive contained files that had the word "Synopsys" in them, but lack information and
6 knowledge sufficient to form a belief as to why the files were in the Recycle Bin and why
7 Lian had the files on his external drive. Ubiquiti Defendants lack knowledge and
8 information sufficient to form a belief as to the truth of the remaining allegations in
9 paragraph 121(d), and therefore deny them.

10 e. Ubiquiti Defendants admit that Ya-Chau Yang's computer contained signs
11 that he had used AVG File Shredder as well as CCleaner, but do not know what files or
12 data, if any, were deleted as a result of the use of CCleaner or AVG File Shredder.
13 Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the
14 truth of the remaining allegations in paragraph 121(e), and therefore deny them.

15 f. Ubiquiti Defendants lack knowledge and information sufficient to form a
16 belief as to the truth of the allegations in paragraph 121(f), and therefore deny them.

17 g. Ubiquiti Defendants admit that Chang-Ching Yan used CCleaner in March
18 2018, but do not know what files or data, if any, were deleted as a result of the use of
19 CCleaner. Ubiquiti Defendants lack knowledge and information sufficient to form a
20 belief as to the truth of the remaining allegations in paragraph 121(g), and therefore deny
21 them.

22 h. Ubiquiti Defendants deny that there was evidence of suspicious deletion of
23 files on Hua-Lin Hsu's computer. Ubiquiti Defendants admit that in February 2018, Hsu
24 deleted a Google chat and a Skype chat that had been previously collected in this case.

25 i. Ubiquiti Defendants deny that Judge Beeler held an emergency hearing.
26 Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the
27 truth of the remaining allegations in paragraph 121(i), and therefore deny them.
28

122. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any of their current or former employees. Ubiquiti Defendants deny the remaining allegations in paragraph 122.

123. Ubiquiti Defendants admit that Defendant Tsai provided sworn answers to interrogatories and made sworn declarations that were filed with this Court. Ubiquiti Defendants admit that Defendant Tsai invoked his Fifth Amendment privilege at his deposition. Ubiquiti Defendants admit that two additional devices were disclosed during Defendant Tsai's deposition and that Ubiquiti temporarily took custody of the devices during the deposition, delivered the devices to Epiq, a forensic consultant, and asked that forensic images of the devices be made. Epiq provided the two devices and images of them to Defendant Tsai's counsel. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the allegations concerning further forensic examination, and therefore deny them. Except as expressly admitted or denied, Ubiquiti Defendants deny the remaining allegations in paragraph 123.

FIRST CLAIM FOR RELIEF

**(Against All Defendants for Violation of the
Digital Millennium Copyright Act, 17 U.S.C. § 1201(a)(1))**

124. Ubiquiti Defendants repeat and incorporate by reference their responses to paragraphs 1 through 123 of the Complaint as if fully set forth herein.

125. Paragraph 125 relies on legal conclusions to which no response is required. To the extent that a response is required, Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 125, and therefore deny them.

126. Paragraph 126 relies on legal conclusions to which no response is required. To the extent that a response is required, Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 126, and therefore deny them.

1 127. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
2 to the truth of the allegations in paragraph 127, and therefore deny them.

3 128. Paragraph 128 relies on legal conclusions to which no response is required. To the
4 extent that a response is required, Ubiquiti Defendants lack knowledge and information sufficient
5 to form a belief as to the truth of the allegations in paragraph 128, and therefore deny them.

6 129. Paragraph 129 relies on legal conclusions to which no response is required. To the
7 extent that a response is required, Ubiquiti Defendants deny that Ubiquiti and UNIL were or are
8 members of a piracy enterprise. Ubiquiti Defendants deny having any knowledge of a piracy
9 enterprise involving any of their current or former employees. Ubiquiti Defendants lack
10 knowledge and information sufficient to form a belief as to the truth of the remaining allegations
11 in paragraph 129, and therefore deny them.

12 130. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
13 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
14 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
15 paragraph 130.

16 131. Ubiquiti Defendants deny the allegations in paragraph 131.

17 132. Ubiquiti Defendants deny the allegations in paragraph 132.

18 133. Ubiquiti Defendants deny the allegations in paragraph 133.

19 134. Ubiquiti Defendants deny the allegations in paragraph 134.

20 **SECOND CLAIM FOR RELIEF**

21 **(Against All Defendants for Violations of the Digital Millennium Copyright Act, 17 U.S.C. §**
22 **1201(a)(2))**

23 135. Ubiquiti Defendants repeat and incorporate by reference their responses to
24 paragraphs 1 through 134 of the Complaint as if fully set forth herein.

25 136. Paragraph 136 relies on legal conclusions to which no response is required. To the
26 extent that a response is required, Ubiquiti Defendants lack knowledge and information sufficient
27 to form a belief as to the truth of the allegations in paragraph 136, and therefore deny them.
28

1 137. Ubiquiti Defendants deny the allegations in paragraph 137.

2 138. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
3 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
4 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
5 paragraph 138.

6 139. Ubiquiti Defendants deny the allegations in paragraph 139.

7 140. Ubiquiti Defendants deny the allegations in paragraph 140.

8 141. Ubiquiti Defendants deny the allegations in paragraph 141.

9 142. Ubiquiti Defendants deny the allegations in paragraph 142.

10 **THIRD CLAIM FOR RELIEF**

11 **(Against All Defendants for Violations of the Digital Millennium Copyright Act, 17 U.S.C. §**
12 **1201(b))**

13 143. Ubiquiti Defendants repeat and incorporate by reference their responses to
14 paragraphs 1 through 142 of the Complaint as if fully set forth herein.

15 144. Paragraph 144 relies on legal conclusions to which no response is required. To the
16 extent that a response is required, Ubiquiti Defendants lack knowledge and information sufficient
17 to form a belief as to the truth of the allegations in paragraph 144, and therefore deny them.

18 145. Ubiquiti Defendants deny the allegations in paragraph 145.

19 146. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
20 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
21 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
22 paragraph 146.

23 147. Ubiquiti Defendants deny the allegations in paragraph 147.

24 148. Ubiquiti Defendants deny the allegations in paragraph 148.

25 149. Ubiquiti Defendants deny the allegations in paragraph 149.

FOURTH CLAIM FOR RELIEF

(Against All Defendants for Violations of 18 U.S.C. § 2318)

150. Ubiquiti Defendants repeat and incorporate by reference their responses to paragraphs 1 through 149 of the Complaint as if fully set forth herein.

151. Paragraph 151 relies on legal conclusions to which no response is required. To the extent that a response is required, Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 151, and therefore deny them.

152. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 152, and therefore deny them.

153. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 153, and therefore deny them.

154. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 154, and therefore deny them.

155. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 155, and therefore deny them.

156. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 156, and therefore deny them.

157. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 157, and therefore deny them.

158. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the remaining allegations in paragraph 158, and therefore deny them.

159. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as to the truth of the allegations in paragraph 159, and therefore deny them.

160. Ubiquiti Defendants deny the allegations in paragraph 160.

161. Ubiquiti Defendants deny the allegations in paragraph 161.

162. Ubiquiti Defendants deny the allegations in paragraph 162.

163. Ubiquiti Defendants deny the allegations in paragraph 163.

164. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any of their current or former employees. Ubiquiti Defendants admit that in a declaration of May 1, 2017 (Dkt. No. 50-1), Shen-Feng Wang stated that “[w]hile present in California, I never received any transmission from any UNIL employee containing unauthorized license keys or unauthorized copies of Synopsys’ software.” Except as expressly admitted or denied, Ubiquiti Defendants deny the remaining allegations in paragraph 164.

165. Ubiquiti Defendants deny the allegations in paragraph 165.

166. Ubiquiti Defendants deny the allegations in paragraph 166.

167. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any of their current or former employees. Ubiquiti Defendants deny the remaining allegations in paragraph 167.

168. Ubiquiti Defendants deny the allegations in paragraph 168.

169. Ubiquiti Defendants deny the allegations in paragraph 169.

170. Ubiquiti Defendants deny the allegations in paragraph 170.

FIFTH CLAIM FOR RELIEF

(Against All Defendants for Fraud)

171. Ubiquiti Defendants repeat and incorporate by reference their responses to paragraphs 1 through 170 of the Complaint as if fully set forth herein.

172. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any of their current or former employees. Ubiquiti Defendants deny the remaining allegations in paragraph 172.

173. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any of their current or former employees. Except as expressly denied, Ubiquiti Defendants deny the remaining allegations in paragraph 173.

1 174. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
2 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
3 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
4 paragraph 174.

5 175. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
6 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
7 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
8 paragraph 175.

9 176. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
10 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
11 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
12 paragraph 176.

13 177. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
14 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
15 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
16 paragraph 177.

17 178. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
18 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
19 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
20 paragraph 178.

21 179. Ubiquiti Defendants deny the allegations in paragraph 179.

22 **SIXTH CLAIM FOR RELIEF**

23 **(Against All Defendants for Civil RICO, 18 U.S.C. 1964(c) & (d))**

24 180. Ubiquiti Defendants repeat and incorporate by reference their responses to
25 paragraphs 1 through 179 of the Complaint as if fully set forth herein.

26 181. Paragraph 181 relies on legal conclusions to which no response is required. To the
27 extent that a response is required, Ubiquiti Defendants lack knowledge and information sufficient
28 to form a belief as to the truth of the allegations in paragraph 181, and therefore deny them.

1 182. Paragraph 182 relies on legal conclusions to which no response is required. To the
2 extent that a response is required, Ubiquiti Defendants lack knowledge and information sufficient
3 to form a belief as to the truth of the allegations in paragraph 182, and therefore deny them.

4 183. Paragraph 183 relies on legal conclusions to which no response is required. To the
5 extent that a response is required, Ubiquiti Defendants lack knowledge and information sufficient
6 to form a belief as to the truth of the allegations in paragraph 183, and therefore deny them.

7 184. Ubiquiti Defendants admit that Ubiquiti is an entity organized under the laws of
8 the State of Delaware. The remaining allegations in paragraph 184 rely on legal conclusions to
9 which no response is required. To the extent that a response is required, Ubiquiti Defendants lack
10 knowledge and information sufficient to form a belief as to the truth of the remaining allegations
11 in paragraph 184, and therefore deny them.

12 185. Ubiquiti Defendants admit that UNIL is an entity organized under the laws of
13 Hong Kong. The remaining allegations in paragraph 185 rely on legal conclusions to which no
14 response is required. To the extent that a response is required, Ubiquiti Defendants lack
15 knowledge and information sufficient to form a belief as to the truth of the remaining allegations
16 in paragraph 185, and therefore deny them.

17 186. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
18 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
19 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
20 paragraph 186.

21 187. Ubiquiti Defendants deny the allegations in paragraph 187.

22 188. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
23 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
24 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
25 paragraph 188.

26 189. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
27 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
28

1 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
2 paragraph 189.

3 190. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
4 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
5 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
6 paragraph 190.

7 191. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
8 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
9 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
10 paragraph 191.

11 192. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
12 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
13 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
14 paragraph 192.

15 193. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
16 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
17 of their current or former employees. Ubiquiti Defendants lack knowledge and information
18 sufficient to form a belief as to the truth of the allegations concerning interstate wires and
19 computers used in interstate commerce, and therefore deny them. Ubiquiti Defendants deny that
20 Defendant Tsai and Yang, acting on behalf of a piracy enterprise involving Ubiquiti Defendants,
21 communicated on or about October 15, 2013. Ubiquiti Defendants admit that a document
22 collected from one of Defendant Tsai's computers and produced in this case is a chat to which
23 Defendant Tsai was a party through his personal Skype account. Ubiquiti Defendants admit that
24 in that personal Skype chat, Defendant Tsai and others had a personal discussion that included the
25 words "save money," "move quickly," "police escorting me out of the office," and "general legal
26 counsel," but deny that this discussion on Defendant Tsai's personal Skype account took place on
27 behalf of Ubiquiti or UNIL. Except as expressly admitted or denied, Ubiquiti Defendants deny
28 the remaining allegations in paragraph 193.

1 194. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
2 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
3 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
4 paragraph 194.

5 195. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
6 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
7 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
8 paragraph 195.

9 196. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
10 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
11 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
12 paragraph 196.

13 197. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
14 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
15 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
16 paragraph 197.

17 198. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
18 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
19 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
20 paragraph 198.

21 199. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
22 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
23 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
24 paragraph 199.

25 200. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
26 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
27 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
28 paragraph 200.

1 201. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
2 to the truth of the allegations in paragraph 201, and therefore deny them.

3 202. Ubiquiti Defendants admit that they have not paid money into one of Plaintiff's
4 flexible spending accounts. Except as expressly admitted, Ubiquiti Defendants lack knowledge
5 and information sufficient to form a belief as to the truth of the remaining allegations in
6 paragraph 202, and therefore deny them.

7 203. Ubiquiti Defendants deny the allegations in paragraph 203 with respect to the
8 Ubiquiti Defendants. Ubiquiti Defendants lack knowledge and information sufficient to form a
9 belief as to the truth of the allegations concerning Defendant Tsai in paragraph 203, and therefore
10 deny them.

11 204. Paragraph 204 relies on legal conclusions to which no response is required. To the
12 extent that a response is required, Ubiquiti Defendants deny the allegations in paragraph 204 with
13 respect to the Ubiquiti Defendants. Ubiquiti Defendants lack knowledge and information
14 sufficient to form a belief as to the truth of the allegations concerning Defendant Tsai in
15 paragraph 204, and therefore deny them.

16 205. Ubiquiti Defendants deny the allegations in paragraph 205.

17 206. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
18 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
19 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
20 paragraph 206.

21 207. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
22 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
23 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
24 paragraph 207.

25 208. Ubiquiti Defendants deny the allegations in paragraph 208.

26 209. Ubiquiti Defendants deny the allegations in paragraph 209.

27 210. Ubiquiti Defendants deny the allegations in paragraph 210.

1 **SEVENTH CLAIM FOR RELIEF**

2 **(Against All Defendants for Negligent Misrepresentation)**

3 211. Ubiquiti Defendants repeat and incorporate by reference their responses to
4 paragraphs 1 through 210 of the Complaint as if fully set forth herein.

5 212. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
6 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
7 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
8 paragraph 212.

9 213. Ubiquiti Defendants deny that Ubiquiti and UNIL were or are members of a piracy
10 enterprise. Ubiquiti Defendants deny having any knowledge of a piracy enterprise involving any
11 of their current or former employees. Ubiquiti Defendants deny the remaining allegations in
12 paragraph 213.

13 214. Ubiquiti Defendants deny the allegations in paragraph 214.

14 215. Ubiquiti Defendants deny the allegations in paragraph 215.

15 216. Ubiquiti Defendants lack knowledge and information sufficient to form a belief as
16 to the truth of the allegations in paragraph 216 concerning actions taken by Plaintiff, and
17 therefore deny them. Ubiquiti Defendants deny the remaining allegations in paragraph 216.

18 **PRAYER FOR RELIEF**

19 Ubiquiti Defendants deny that Plaintiff is entitled to any relief.

20 **AFFIRMATIVE DEFENSES**

21 Ubiquiti Defendants assert the following affirmative defenses to the Complaint and
22 incorporate by reference the allegations in UNIL's Counterclaims and Ubiquiti's Amended
23 Counterclaims in support of such defenses.

24 **First Affirmative Defense**

25 Plaintiff's claims are barred by the doctrine of laches because Plaintiff inexcusably
26 delayed asserting claims against Ubiquiti Defendants. Namely, Plaintiff became aware of the
27 facts that purportedly form the basis of the claims against Ubiquiti as early as late 2013 or early
28

1 2014, and yet Plaintiff waited until February 3, 2017 to file a complaint against Ubiquiti
2 Defendants.

3 **Second Affirmative Defense**

4 Plaintiff's claims are barred by the doctrine of unclean hands because Plaintiff, through
5 fraudulent misrepresentations regarding its confidentiality obligations that Ubiquiti Defendants
6 relied on in proceeding to evaluate Plaintiff's software, obtained Ubiquiti Defendants'
7 confidential, proprietary information without Ubiquiti Defendants' knowledge and dealt unjustly
8 in the activity that it now complains of. Furthermore, Plaintiff, rather than inform Ubiquiti
9 Defendants immediately upon learning of alleged unauthorized uses via spyware, purposefully
10 delayed filing the complaint against Ubiquiti Defendants for three years so that it could enlarge
11 the time period over which Plaintiff could claim damages under its asserted claims.

12 **Third Affirmative Defense**

13 Plaintiff's claims are barred by the doctrine of waiver because Plaintiff's conduct
14 subsequent to the evaluation agreement shows Plaintiff knowingly relinquished any right to seek
15 timely relief for the alleged acts. Namely, by waiting three years to file a complaint against
16 Ubiquiti Defendants, Plaintiff demonstrated an intentional relinquishment of those rights with
17 knowledge of those rights and an intent to relinquish them.

18 **Fourth Affirmative Defense**

19 Plaintiff is barred from recovery of damages because Ubiquiti Defendants were not aware
20 and had no reason to believe that the alleged acts constituted violations of 17 U.S.C. § 1201 when
21 Synopsys entered into a valid evaluation license agreement with Ubiquiti that permitted access to
22 Synopsys' software.

23 **Fifth Affirmative Defense**

24 Plaintiff is barred from recovery of damages because it failed to take reasonable steps to
25 mitigate its actual damages or statutory damages per alleged act of circumvention. Namely,
26 Plaintiff became aware of the facts that purportedly form the basis of the claims against Ubiquiti
27 Defendants as early as late 2013 or early 2014, and yet Plaintiff waited until May 2016 to take
28 efforts reasonably available to it to mitigate its harm.

1 **Sixth Affirmative Defense**

2 Plaintiff is barred from recovery of damages because it acquiesced to Ubiquiti
3 Defendant's use of its software. Namely, Plaintiff became aware of the facts that purportedly
4 form the basis of the claims against Ubiquiti Defendants as early as late 2013 or early 2014, and
5 yet Plaintiff waited until May 2016 to contact Ubiquiti regarding Ubiquiti's alleged use of its
6 software.

7
8
9 Dated: June 21, 2018

JENNIFER LEE TAYLOR
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16 *Defendants/Counterclaimants*
17 UBIQUITI NETWORKS, INC.,
18 UBIQUITI NETWORKS *and*
19 INTERNATIONAL LIMITED
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